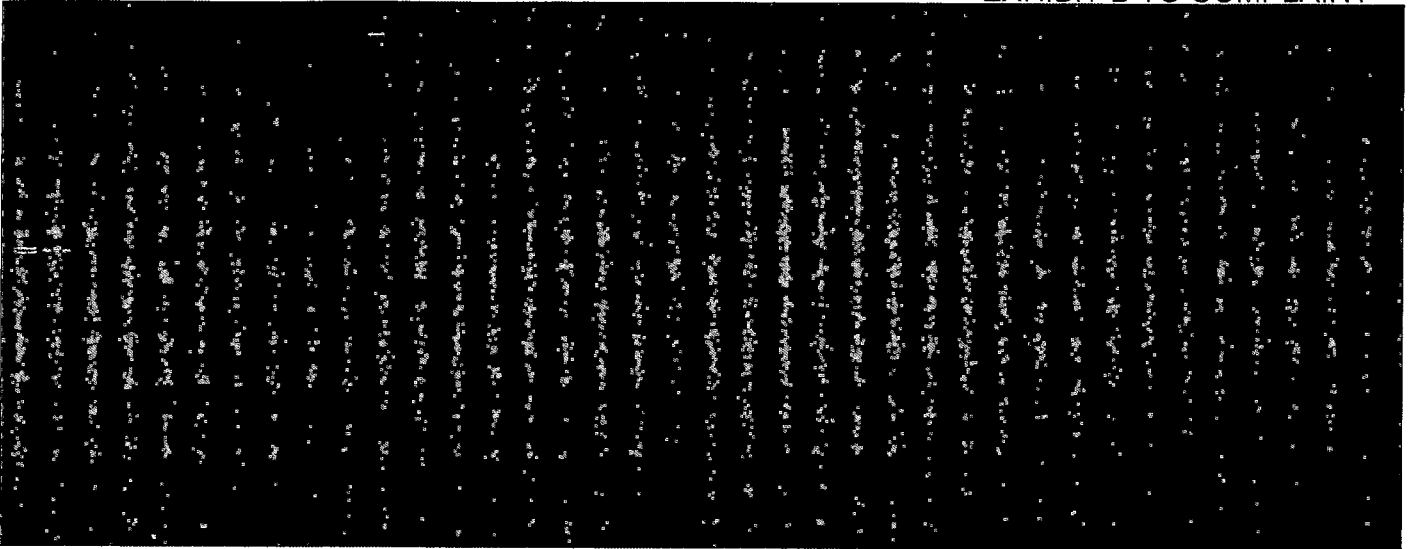


# **EXHIBIT B**

## **TO COMPLAINT**

EXHIBIT B TO COMPLAINT



From: **Steve Brooks** <[stevebrooks17@gmail.com](mailto:stevebrooks17@gmail.com)>  
Date: Sun, Dec 15, 2019 at 9:08 PM  
Subject: Memo  
To: Fidel Andueza <[fidel.andueza@hotmail.com](mailto:fidel.andueza@hotmail.com)>

I put together the attached. We can discuss tomorrow.

Best Regards,

Steve

--  
Steve J. Brooks  
[stevebrooks17@gmail.com](mailto:stevebrooks17@gmail.com)

--  
Steve J. Brooks  
[stevebrooks17@gmail.com](mailto:stevebrooks17@gmail.com)

**Investment Memo: Convergen Energy Wisconsin, LLC**

December 15, 2019

**Purchase Price: .....\$5,800,000**

Purchase price corresponds to Total Assets of \$5,770,828 on the August 31, 2019 CEWI Balance Sheet. Further, the purchase price represents a 6.5x multiple to the CEWI FY 2018 EBITDA of \$886,773 inclusive of the CE LLC Administrative Expenses.

**Total Cash Consideration:.....\$2,026,018**

\$	
Total Consideration	(5,800,000)
Hard Deposit Discount	50,000
Due Diligence Reimbursement	50,000
Bank Debt	2,592,167
Equipment Financing	211,498
Capital Expenditure	377,850
Inter-Company Receivable	357,621
Working Capital Adjustment	284,880
Cash	(150,034)
<b>Net Consideration - NianticVista</b>	<b>(2,026,018)</b>

- The Purchase Price was made on a Debt-Free basis, consequently CEWI's Bank Debt and Equipment Financing facilities are subtracted from the Purchase Price.
- The Capital Expenditure line refers to deferred maintenance capital items needed at CEWI and are based on quotes received from local service providers for each item.
- The Inter-Company Receivable refers to an intercompany loan with sister Convergen Energy company which will be transferred from the CEWI Balance Sheet.
- The Working Capital Adjustment represents the change in working capital from the August 31, 2019 Balance Sheet to the closing December 31, 2019 Balance Sheet. This will be determined with a final adjustment 30-days after Closing.
- The Cash item is the cash that will be on the December 31, 2019 Balance Sheet, which will be removed and transferred to CELLC.
- The \$2,026,018 Net Consideration refers to the cash component NianticVista is committed to pay.

**Sources & Uses:**

\$

**Sources**

RU + DG	500,000
SB + FA	500,000
TH	100,000
Mezzanine Facility - CK	700,000
Mezzanine Facility - JB	300,000
<b>Total Sources</b>	<b>2,100,000</b>

**Uses**

Purchase Hard Deposit	(1,500,000)
Purchase Final Payment	(526,018)
Arrangement Fee - GM	(50,000)
Working Capital	(23,982)
<b>Total Uses</b>	<b>(2,100,000)</b>

- The Mezzanine facilities refer to two separate lenders. Both Mezzanine facilities will have a term of 1-year and carry an annual interest rate of 10.0%.

**Closing Calendar:**

\$	Total	31-Dec-19	31-Jan-20	1-Feb-20
Purchase Hard Deposit	(1,500,000)	(1,500,000)		
Purchase Final Payment	(526,018)		(526,018)	
Arrangement Fee - GM	(50,000)		(50,000)	
Working Capital	(23,982)			(23,982)
<b>Total Uses</b>	<b>(2,100,000)</b>	<b>(1,500,000)</b>	<b>(576,018)</b>	<b>(23,982)</b>
RU + DG	500,000	500,000		
SB + FA	500,000	500,000		
TH	100,000		76,018	23,982
Mezzanine Facility - CK	700,000	500,000	200,000	
Mezzanine Facility - JB	300,000		300,000	
<b>Total Sources</b>	<b>2,100,000</b>	<b>1,500,000</b>	<b>576,018</b>	<b>23,982</b>

- The initial \$1,500,000 portion of the Purchase Price made on December 31, 2019 is in the form of a hard deposit which secures the transaction.
- The final closing on January 31, 2019 assumes the rollover of the CEWI Bank Debt. The final working capital adjustment will be made based on the December 31, 2019 Balance Sheet.
- The Working Capital Use refers to an injection of \$23,982 by NianticVista into CEWI for working capital purposes as the cash in the CEWI accounts will be transferred out of the Company at Closing.

**Management:**

Prior to closing the CELLC employees, listed below will be transferred to CEWI:

- Ted Hansen, CEO
- Dennis Conn, SVP – Business Development and Technical Services
- Brian Mikkelsen, Controller
- Randy Parmentier, Accounting Assistant